

Members Present:

Lung Chiu (Chairman) – arrived 7:30pm
Elise Ryan (Vice Chair)
Bridget Subramanya (Committee Member)
Marge Herzog (Committee Member)
Cheryl Miller (Committee Member) – arrived 7:25pm

Absent:

Councilman Ryan Liang (Town Councilman - FAAC Liaison)

Others Attending:

Frank Spence, Town Manager
Holly Hugdahl, Finance Director
Cindy Corum, Assistant Town Clerk
Terry Morton, Town Auditor with Nowlen, Holt & Miner
Members of the Public – Vice Mayor Dennis Lipp, Councilman Jim Rockett, Doreen Baxter, Frank Schiola

1. Opening

Town Manager Frank Spence called the meeting to order at 7:12 pm

2. Roll Call

Roll call was taken by Town Manager Frank Spence and a quorum was met with 3 members present.
(Meeting was presided over by Vice Chair Elise Ryan in Chairman Chiu's absence.)

3. Approval of Agenda

MOTION: Marge Herzog made a motion to approve the agenda; Bridget Subramanya seconded the motion. Motion passed 3-0.

4. Auditor's Management Letter

Town Manager, Frank Spence stated that he had not yet prepared his response to the Auditor's management letter. He said he would include a disclaimer letter as to when his responsibilities began with the Town, so as not to be confused with the previous management team.

5. Preliminary Review of FY 2011 Sanitation/Waste Fee

Mr. Spence recommended setting up an enterprise fund for Solid Waste. He said the fund should include costs for: Legal Ads; Solid Waste Monitoring; Bulk Vegetation Week; Tire Amnesty Day; Green Supplies; County Administrative Fees; Management Administrative Fees; Postage.

Committee member Marge Herzog asked if the 25 newly found parcels were included in the totals for the sanitation assessment. Frank Spence said staff was going to do a thorough analysis and revise the assessment list. There were some questions by Vice Chair Elise Ryan on the methodology for arriving at the numbers presented. Committee member Bridget Subramanya asked if the numbers reflected the \$25 fine per garbage complaint established in Waste-Pro's contract. Mrs. Ryan said that the history has been that the Town is not in the practice of fining Waste-Pro. Mrs. Herzog stated she felt the Waste Monitoring position should be complaint driven and at the direction of the Town Manager. Chairman Chiu and Mrs. Ryan expressed the opinion that the Town Manager should dictate what level of Waste Monitoring service he felt was needed, as well as what other expenses he felt were necessary in the enterprise fund.

Resident Doreen Baxter said she felt the Monitoring may no longer be necessary and she also felt the Bulk Vegetation Week and Tire Amnesty Day should be discontinued. Assistant Clerk Cindy Corum pointed out that in the last two years less than 10% of the community took advantage of the above mentioned two programs. Councilman Ron Jarriel commented that he agreed with Doreen. He said that we have done the Tire Amnesty program for two years in a row and people have had the opportunity to get rid of their tires. He said he saw some abuse of the Tire Amnesty with people bringing in tires from outside, and if we did Tire Amnesty Day again next year we should limit the number of tires to 25 per resident.

Resident (and Waste Monitor) Frank Schiola said he had contacted SWA's head auditor regarding the 'Refuse Rate Index'. He said because of many factors such as the Consumer Price Index, fuel prices going down etc, the SWA auditor told him the Town's rates should go down between 1.4 and 1.7 percent for next year's assessment. Mrs. Ryan asked when we could get that in writing. Chairman Chiu asked if there was anything binding in our contract with Waste-Pro which allowed for this reduction. Mr. Schiola said it was in our contract that "the annual adjustment shall be applied to the base residential collection rates." Mr. Schiola said our Waste-Pro contract is exactly the same as the SWA contract and that we could use these numbers to negotiate with Waste-Pro. Mrs. Ryan reiterated we needed to get something in writing. Chairman Chiu said this was a matter for the Town Manager to investigate, and he should ensure we are getting the proper and justified rate.

Councilman Jim Rockett suggested breaking the Sanitation Line Item expenses into "below the line" and "above the line", with items below the line not appearing on the residents' SWA assessment as a tax. After much discussion, several motions were made.

MOTION: Bridget Subramanya made a motion to remove Bulk Vegetation Week, Tire Amnesty Day and Green Day Supplies from above line to below the line where they would be funded by the general fund instead of appearing on the residents' tax bill; although these three items would still be accounted for under the SWA fund. The motion was seconded by Mrs. Herzog. Motion passed 5-0.

MOTION: Chairman Chiu made a motion to remove the \$12,000 (Town Staff) Administrative Fee from the sanitation assessment and move it to below the line to be supplemented by the general fund if necessary. Motion was seconded by Mrs. Subramanya. Motion passed 5-0.

MOTION: Marge Herzog made a motion to reduce the Waste Monitoring budgeted amount of \$15,000 by \$3,000 to reflect the same \$12,000 budgeted amount as in the previous fiscal year. Chairman Chiu seconded the motion. Motion passed 5-0.

MOTION: Marge Herzog made a motion to have all Waste Monitoring Activity come through the Town Office at the direction of Town Management for more accountability. Motion failed for lack of a second.

Discussion continued

Councilman Dennis Lipp commented that there was a discrepancy between the amount of parcels Waste-Pro was charging the Town versus the amount of parcels we were billing the residents. Mr. Spence said he believed that Waste-Pro included about 100 extra parcels in their contract as 'a cushion', but staff would come up with an accurate assessment list this year. Mrs. Hugdahl asked what the Committee's recommendation would be to Council regarding the increase in the sanitation assessment rate. Mrs. Ryan said the Committee would show the Council the numbers that were discussed and they could make the decision on how to raise the rate – if at all. Councilman Rockett stated that he would like to see exact numbers for how many parcels should be billed, because he found it difficult to approve an increased assessment rate based on conceptual numbers. Mr. Spence said that Council will be asked to approve a tentative millage without seeing the whole budget and that was standard. He also advised that the tentative millage can always come down - it just can't go up.

6. TRIM Timetable Report for FY 2011 Budget

Copies of the TRIM timetable were included in the agenda packet with all dates and deadlines listed.

7. Status Report of Lobbyist Debt

Mr. Spence stated he had appeared in small claims court last Thursday against former Town lobbyist, Donna Brosemer. Ms. Brosemer was not in attendance, but was represented by attorney Jody Barnett. He said "The attorney for Ms. Brosemer testified that she had not been served yet. The judge ordered us immediately into mediation." Mr. Spence stated the Council position that the Town wanted the \$2000 overpayment returned, plus court costs. Ms. Barnett made a counter offer of \$500 which Mr. Spence rejected. Mr. Spence said at this point he is waiting for the judge to schedule another pre-hearing date. Mr. Spence said that the judge noted the Town did not have a signed contract, but he had entered into evidence a certified copy of the Council meeting minutes which demonstrated that the contract had been awarded to Donna Brosemer dba "Politically Correct" and also copies of the cancelled checks made out to both "Donna Brosemer" and "Politically Correct." Councilman Rockett commented that he thought Mr. Spence had handled this situation well.

8. Punch List Review

Assistant Clerk Cindy Corum presented an office inventory list with the serial numbers of all office computers and other valuable equipment recorded. She said she did not want to publish the list in the agenda packet for security reasons. Elise Ryan asked why the Solid Waste payments seemed low. Hugdahl responded that the bills run one month behind. Mrs. Ryan asked that 'Reclassify \$65K WCD expense from March results' be added to Punch List. Mrs. Hugdahl responded this would be reflected in her next financial package. Chairman Chiu asked that the current date be added to the Punch List each time it was updated.

9. Request for additional FAAC meeting this month to review preliminary budget

Date for Budget Review Meeting was set for July 15, 2010 at 7pm

10. Addendum items – Code Enforcement RFP

Mr. Spence said that previous RFP for Code Enforcement was far too complicated and he would create a new simplified one. Mrs. Ryan said she wanted to make sure we get “apples to apples” bids. She also said she felt we needed someone who could respond quickly. Mr. Spence agreed.

11. New Business

No new business was discussed

12. Setting of Next meeting time and Date

Next meeting date for regular FAAC meeting was set for July 28, 2010 at 7pm

13. Committee & Public Comments

Elise Ryan said she would like to add a discussion of ‘Posting Financial Info to our Website’ on the next FAAC agenda. Councilman Rockett said he hoped the Town Management team would come back with a new budget in which there was no out of pocket tax increase to the residents. Town Manager Frank Spence commented that this was a request of one Councilmember, but that he worked for all five Councilmen. Mrs. Higdahl cautioned that property tax income had decreased significantly this year. There was discussion of the millage rate with different scenarios. Mr. Spence said he would present alternatives and/or options in his proposed budget and the Council would make the ultimate choice. There was a bit of a debate of whether an increase in the sanitation assessment was a “tax” or a “user fee”. Councilman Rockett felt that a “user fee” was a tax by another name. Mrs. Higdahl said “By not raising the millage rate, you are, in effect lowering taxes.”

**MOTION: Motion to adjourn was made by Mrs. Herzog; seconded by Bridget Subramanya;
Motion passed 5-0. Meeting adjourned at 10:25**

ATTEST:


Cindy Lou Corum, Asst. Town Clerk


Lung Chiu, Chairman, FAAC Cmte

8-23-2010
Date Approved by Cmte

9-27-2010
Date Signed